

# DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION

## FINANCIAL SUMMARY

	FY 2002 EXPENDITURE	FY 2003 APPROPRIATION	FY 2004 REQUEST	GOVERNOR RECOMMENDS FY 2004
Division of General Administration	\$ 3,588,659,636	\$ 3,775,528,516	\$ 4,093,163,666	\$ 3,778,331,802
Divisions of School Improvement/Teacher				
Quality and Urban Education	305,874,423	423,226,700	432,529,700	426,719,953
Division of Vocational Rehabilitation	133,555,817	165,520,408	171,857,544	172,048,996
Division of Vocational and Adult Education	56,739,926	68,240,832	74,240,832	73,987,973
Division of Special Education	176,605,771	213,596,079	240,337,099	237,954,839
Board Operated School Programs	1,115,493	1,555,000	1,555,000	1,555,000
Missouri Occupational Information				
Coordinating Committee	270,813	281,010	281,010	0
Commission for the Deaf	386,816	476,873	551,873	542,587
DEPARTMENTAL TOTAL	\$ 4,263,208,695	\$ 4,648,425,418 *	\$ 5,014,516,724	\$ 4,691,141,150
General Revenue Fund	260,756,235	250,761,147	280,121,727	261,014,363
Federal Funds	648,557,824	880,523,083	926,534,814	927,149,039
School District Bond Fund**	7,000,000	4,000,000	4,000,000	450,000
Certification of Interpreters Fund	85,001	100,000	125,000	125,000
School Building Revolving Fund	0	1,500,000	1,500,000	1,500,000
Independent Living Center Fund	191,055	210,000	210,000	210,000
Outstanding Schools Trust Fund***	541,741,799	493,588,583	421,214,267	394,400,000
Bingo Proceeds for Education Fund	1,707,161	1,707,167	1,707,167	1,707,167
Lottery Proceeds Fund	86,510,757	112,588,683	113,263,683	116,789,138
VIDEO Fund****	1,135,424	600,000	0	0
State School Moneys Fund*****	1,971,284,164	2,145,806,917	2,516,063,087	2,244,258,371
Handicapped Children's Trust Fund	0	30,000	30,000	30,000
Healthy Families Trust Fund-Early Childhood				
Care and Education Account	4,092,500	0	0	0
Healthy Families Trust Fund-Life Sciences				
Research Account	0	100,000	0	0
Excellence in Education Fund	1,432,406	2,929,210	2,929,210	2,929,210
Fair Share Fund	22,921,397	22,929,326	23,225,250	23,225,250
School District Trust Fund	665,079,037	691,456,241	693,947,458	693,947,458
Missouri Commission for the Deaf				
and Hard of Hearing Fund	0	0	50,000	50,000
State Public School Fund	21,242,472	10,000,000	0	0
Early Childhood Development,				
Education and Care Fund	28,355,970	28,070,061	28,070,061	21,831,154
School for the Blind Trust Fund	1,103,993	1,500,000	1,500,000	1,500,000
School for the Deaf Trust Fund	11,500	25,000	25,000	25,000
Full-time equivalent employees	1,986.38	2,079.43	2,079.43	2,055.78

\* Does not include \$7,898,860 recommended in the Fiscal Year 2003 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding Department of Elementary and Secondary Education supplemental appropriations.

\*\* The school district bond fund received the following transfers from the gaming proceeds for education fund: \$7,000,000 in Fiscal Year 2002 expenditure, \$2,271,458 in Fiscal Year 2003 appropriation, and \$450,000 in Governor recommends for Fiscal Year 2004.

\*\*\* The outstanding schools trust fund received the following transfers from general revenue: \$451,300,000 in Fiscal Year 2002 expenditure, \$421,300,000 in Fiscal Year 2003 appropriation, and \$394,400,000 in Governor recommends for Fiscal Year 2004.

\*\*\*\* The VIDEO fund received transfers from general revenue of \$669,693 in Fiscal Year 2002 expenditure.

\*\*\*\*\* The state school moneys fund received the following transfers from general revenue: \$1,727,466,154 in Fiscal Year 2002, \$1,817,575,342 in Fiscal Year 2003 appropriation, and \$1,767,779,430 in Governor recommends for Fiscal Year 2004.

The schools for the future fund received an appropriation of \$126,517,000 in Fiscal Year 2003.

## DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION

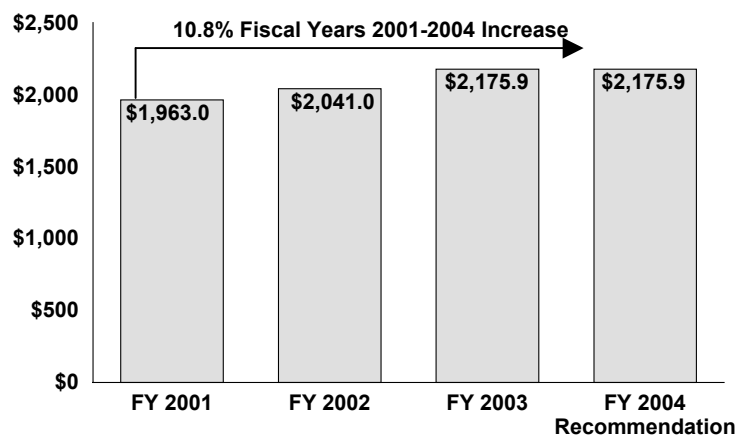
### POLICY SUMMARY

Governor Holden's commitment to improving education for our students comes with a belief that Missouri has a moral responsibility to support its public schools and to continue the progress already made in education. The Governor's recommendations for Fiscal Year 2004 support his five major goals: making sure our children are ready to learn when they enter school; elevating the professional status of teaching; enhancing student performance standards and school accountability; reducing class size so students can receive more individual attention; and increasing the emphasis on personal character and discipline among our students.

A weakened economy and considerable growth in mandatory programs like Medicaid has resulted in the most significant challenge the state has faced since the Depression. The Fiscal Year 2004 budget includes substantial core reductions. However, the budget also recognizes that the state cannot cut its way out of the current fiscal problems without severely reducing essential services provided to Missourians. General revenue budget increases have been limited to mandatory programs. Governor Holden's priorities are protecting the state's investment in education and ensuring that our most vulnerable citizens – children, the elderly, and disabled – are shielded to the greatest extent possible from budget reductions.

While the State is faced with declining revenue and core cuts across state government, the Governor has shielded the foundation formula from cuts. Governor Holden recommends \$168.5 million to continue funding the foundation equity formula and At-Risk Program at the current Fiscal Year 2003 appropriation level.

**Fiscal Year 2004  
Funding for the Foundation Equity Formula  
and At-Risk Program**  
(in millions)



#### Enhancing Equity for School Children

- \$168.5 million for the foundation equity formula and At-Risk Program, maintaining total funding to \$2.18 billion.

#### Ensuring Accountability and Innovation

- Outstanding Schools Waivers – no cost. Schools that consistently perform at exemplary levels in the statewide assessment system will be granted Outstanding Schools Waivers. These waivers of rules and regulations promote flexibility and innovation in the operations of the school, encourage efficiency, and promote school-centered decision making.
- Academically Deficient Schools – funding included in the foundation formula increase. Schools that repeatedly fail to provide their students with an adequate education may be declared academically deficient. Funds will be made available through a portion of one percent of the foundation formula funding set aside to address statewide areas of critical need to help these schools recover from academic deficiency.
- Professional Development and Training for Educators – one percent of a school district's foundation formula money is allocated for professional development for teachers. Also, an additional one percent of the total foundation formula appropriation will be targeted to statewide areas of critical need.

## DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION

### POLICY SUMMARY (Continued)

**DIRECT STATE AID TO LOCAL SCHOOLS:** Governor Holden's Fiscal Year 2004 budget includes \$3.6 billion in direct state aid to local public schools. In addition to the increase in the foundation formula and other programs discussed earlier, increases in direct state aid to local schools include:

- \$11.7 million for Early Childhood Special Education for educational services provided to three- and four-year-old children with disabilities, bringing total state funding to \$81.3 million.
- \$2.8 million for payments to public schools for students placed by the Department of Social Services and the Department of Mental Health.
- \$2.5 million from Proposition C sales tax revenue.
- \$300,000 from Fair Share Cigarette tax revenue.

### STATE AID TO LOCAL SCHOOL DISTRICTS (Not Including Desegregation)

	<b>FY 2003 APPROPRIATION</b>	<b>FY 2004 RECOMMENDATION</b>
<b>School Foundation Program</b>		
Equity Formula and At-Risk	\$ 2,175,891,721	\$ 2,175,891,721
Transportation	162,067,713	162,067,713
Gifted	24,870,104	24,870,104
Special Education	149,617,982	149,617,982
Remedial Reading	11,096,925	11,096,925
Early Childhood Special Education	69,621,995	81,274,784
Career Ladder	38,454,774	38,069,056
Vocational Education	52,880,428	52,880,428
Parents As Teachers	<u>30,304,651</u>	<u>30,304,651</u>
Subtotal Foundation Program	\$ 2,714,806,293	\$ 2,726,073,364
<b>Other State Aid</b>		
A+ Schools Program	\$ 18,525,000	\$ 18,525,000
Technology Grants	13,969,696	8,833,381
Adult Literacy	500,000	500,000
Safe Schools Grants	7,675,000	7,122,368
Proposition C Sales Tax	691,456,241	693,947,458
Fair Share Cigarette Tax	22,929,326	23,225,250
Free Textbook Fund	74,225,850	89,650,000
School Food Program	3,460,219	3,460,219
Early Childhood Program	15,136,800	16,545,112
DSS/DMH School Placements	<u>7,293,331</u>	<u>10,099,537</u>
Subtotal Other State Aid	\$ 855,171,463	\$ 871,908,325
<b>Total State Aid to Local Schools</b>	<b>\$ 3,569,977,756</b>	<b>\$ 3,597,981,689</b>

**EDUCATION ACCOUNTABILITY:** Governor Holden believes every child is entitled to a quality education. The Governor has made it a priority to increase the accountability of Missouri schools. In 2001, the Governor secured passage of legislation to provide report cards for each school to parents, school patrons, taxpayers, and their communities. In 2002, the Governor signed into law House Bill 1711, which created an accountability system that rewards high-performing schools and places certain requirements on schools not meeting academic standards. Since 1995, the Missouri Assessment Program (MAP) has been the cornerstone for measuring educational accountability. In Fiscal Year 2003, the General Assembly reduced funding for MAP to reimburse school districts for assessments in communications and math only. To continue his commitment to accountability, the Governor recommends \$4.4 million to reinstate assessments in the areas of science, social studies, and health/physical education.

## DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION

### POLICY SUMMARY (Continued)

**SPECIAL EDUCATION:** The Governor recommends \$20 million federal funds for special education services mandated by federal law. This funding will provide grants to local school districts to support services for students with disabilities.

**AFTER SCHOOL PROGRAMMING:** The Governor recommends \$6 million federal funds for after school programs. This funding provides local competitive grants to school districts and community-based organizations to establish or enhance after school programs. Quality after school programs provide drug and violence prevention programs, technology education programs, art and music programs, counseling, and character education to enhance the academic component of the programs.

**TRANSITION TO TEACHING PROJECT:** The Governor recommends \$1 million federal funds to provide individuals with temporary certificates the necessary skills to become quality teachers. Missouri school districts are recruiting more non-traditional candidates to fill teaching positions to solve the increasing need for teachers in certain geographic and subject areas. This funding will assist non-traditional candidates to become successful classroom teachers.

**CHARACTER EDUCATION:** The Governor recommends \$600,000 federal funds for character education. The Missouri Characterplus Project provides character education teacher training and resources to Missouri school districts. The training and resources allow schools to emphasize the importance of universal values, such as responsibility, respect, trustworthiness, fairness, caring, and citizenship.

### **GAMING REVENUES FOR EDUCATION:**

#### **Lottery Proceeds for Education**

During Fiscal Year 2004, \$191.1 million will be available from lottery revenues. Of this amount, \$116.8 million will support programs in the Department of Elementary and Secondary Education. More information about lottery funds can be found in the Higher Education section of the Missouri Budget.

#### **Riverboat Gaming Proceeds for Education**

All riverboat gaming proceeds in excess of the amount transferred to the school district bond fund must be transferred by law to the state school moneys fund for the foundation formula. For Fiscal Year 2004, the Governor recommends transferring \$450,000 in gaming proceeds to the school district bond fund for use by the Missouri Health and Education Facilities Authority (MOHEFA) to pay costs associated with credit enhancement. The Governor recommends that the remaining \$318.5 million be transferred to the state school moneys fund. The Governor also recommends transferring \$106.3 million to the state school moneys fund resulting from an increase in riverboat admission fees.

# DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION

## POLICY SUMMARY (Continued)

### PERFORMANCE MEASURES

**Table I:** Some performance measures the Department of Elementary and Secondary Education uses to evaluate student achievement follow:

	2000	2001	2002
*Percent of students scoring at or above the targeted skill level			
-4th grade math	37%	38%	38%
-8th grade math	14%	15%	14%
-10th grade math	10%	13%	11%
-3rd grade science	45%	46%	48%
-7th grade science	15%	14%	14%
-10th grade science	6%	9%	5%
-3rd grade communication arts	32%	32%	35%
-7th grade communication arts	32%	34%	32%
-11th grade communication arts	23%	23%	24%
-4th grade social studies	38%	42%	40%
-8th grade social studies	42%	42%	42%
-11th grade social studies	17%	20%	16%
-5th grade health/physical education	39%	43%	55%
-9th grade health/physical education	21%	39%	24%
Average annual dropout rate among Missouri public school students, grades 9-12	4.3%	4.5%	3.8%
Graduation rate among Missouri public high school students	80.3%	81.4%	82.5%
Percent of 18-year-olds with a high school diploma or GED	86.4%	87.5%	89.6%
Average ACT scores of Missouri high school graduates	21.6	21.4	21.4
Percent of vocational education graduates continuing their education or employed	93.2%	94.1%	N/A

Social studies results for 1999 and health/physical education results for 2000 are based on voluntary administration of the assessment. Mandatory administration, in which all districts participate, began in 1998 for math, 1999 for science and communication arts, 2000 for social studies, and 2001 for health/physical education.

**Table 2:** A key performance measure the Department of Elementary and Secondary Education uses to evaluate early childhood care and education follows:

	1999	2000	2001
*Percent of children with average or above average school readiness skills	75%	76%	79%

\* The Missouri School Entry Assessment was conducted for the first time during the 1998-1999 school year. The assessment is based on a statewide sample of kindergarten students and provides important information about what children entering Missouri's public kindergartens know and can do, as well as their preschool experiences.

**DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION  
GENERAL ADMINISTRATION**

**FINANCIAL SUMMARY**

	FY 2002 EXPENDITURE	FY 2003 APPROPRIATION	GOVERNOR RECOMMENDS FY 2004
Administrative and Financial Services	\$ 9,554,420	\$ 11,269,419	\$ 11,325,001
State Public School Fund	21,242,472	10,000,000	0
Court-Ordered Payments	20,000,000	20,000,000	16,500,000
School Foundation Program Distribution	2,630,923,483	2,782,823,211	2,774,598,686
Early Grade Literacy/Professional Development	492,499	550,000	500,000
School Food Services	138,326,590	141,773,569	151,635,407
School Building Revolving Fund	0	1,500,000	1,500,000
Special School Advisors	493	900	0
Fair Share Distribution	22,921,397	22,929,326	23,225,250
School District Trust Fund Distribution	665,079,037	691,456,241	693,947,458
County Foreign Insurance Tax	71,752,937	74,225,850	89,650,000
School District Bond Intercept Program	7,000,000	4,000,000	450,000
Federal Grants and Donations	1,366,308	15,000,000	15,000,000
<b>TOTAL</b>	<b>\$ 3,588,659,636</b>	<b>\$ 3,775,528,516</b>	<b>\$ 3,778,331,802</b>
General Revenue Fund	143,279,210	144,850,028	156,233,993
Federal Funds	141,485,964	161,744,371	171,759,480
Bingo Proceeds for Education Fund	1,707,161	1,707,167	1,707,167
Other Funds	3,302,187,301	3,467,226,950	3,448,631,162
<b>Full-time equivalent employees</b>	<b>1,027.89</b>	<b>1,028.37</b>	<b>1,014.72</b>

**ADMINISTRATIVE AND FINANCIAL SERVICES**

The Department of Elementary and Secondary Education is supervised by the State Board of Education, which consists of eight members appointed for eight-year terms by the Governor with the advice and consent of the Senate. The board appoints the Commissioner of Education as its chief administrative officer.

The Division of Administrative and Financial Services consists of all internal and external business functions of the department. It is responsible for distributing all federal and state funds to local school districts and other agencies. The external areas consist of the school finance, school food services, and school governance and facilities sections. School finance and school governance jointly administer the school transportation program. The internal business areas consist of accounting and procurement, human resources, budget, research and planning, printing and publications, mail services, information technology, and telecommunications. The school finance section calculates each school district's share of the foundation formula distribution and other sources of state aid.

**Fiscal Year 2004 Governor's Recommendations**

- \$200,000 federal funds for expense and equipment related to the federal No Child Left Behind Act of 2001.
- \$15,000 for pay plan, including \$11,729 general revenue.
- (\$159,418) and (4.65) staff in core reduction from the Fiscal Year 2003 appropriation level.

**STATE PUBLIC SCHOOL FUND**

The state public school fund is a non-expendable trust fund consisting of all moneys, bonds, lands, and other properties belonging to or donated to the state for school purposes and the proceeds of all sales of land and other property that accrue to the state by escheat. Only the interest earned from the investments is appropriated for the support of public schools.

**Fiscal Year 2004 Governor's Recommendations**

- (\$10,000,000) state public school fund core reduction from the Fiscal Year 2003 appropriation level.

**DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION****GENERAL ADMINISTRATION (Continued)****COURT-ORDERED PAYMENTS**

Court supervision of the St. Louis and Kansas City school districts ended in 1999. State desegregation payments in the Kansas City case ended in Fiscal Year 1999 pursuant to a settlement in 1997. With passage of SB 781 in 1998, local voter approval of matching funds in February 1999, and court approval in March 1999, St. Louis desegregation operating budget payments were ended in Fiscal Year 1999, while transfer costs and capital improvement payments will be phased out. Fiscal Year 2001 payments totaled \$50 million, with \$25 million for voluntary transfer costs and \$25 million for capital costs. The Fiscal Year 2002 and Fiscal Year 2003 budgets included \$20 million for capital outlays in St. Louis. The Fiscal Year 2004 budget includes \$16.5 million for capital outlays in St. Louis. As these payments phase out, savings will be redirected to the school foundation formula for the benefit of school districts across the state.

**Fiscal Year 2004 Governor's Recommendations**

- (\$3,500,000) transferred to the foundation formula.

**FINANCIAL SUMMARY**

	FY 2002 EXPENDITURE	FY 2003 APPROPRIATION	GOVERNOR RECOMMENDS FY 2004
Teachers Participating in Career Ladder Program	16,688	17,101	17,380
Early Childhood Development Screenings	137,648	140,401	143,209
Families Served by Parent Education	157,330	160,476	163,685
Students Provided Early Childhood Special Education	9,007	10,097	11,318
Equity Formula	\$ 1,699,809,579	\$ 1,796,679,085	\$ 1,817,560,541
At-Risk Program	342,076,077	354,312,636	358,331,180
Transportation	162,067,242	162,067,713	162,067,713
Special Education	149,616,752	149,617,982	149,617,982
Remedial Reading	11,076,764	11,096,925	11,096,925
Early Childhood Special Education	68,448,340	69,621,995	81,274,784
Gifted Programs	24,869,772	24,870,104	24,870,104
Career Ladder	38,082,775	38,454,774	38,069,056
Vocational Education	53,272,768	52,880,428	52,880,428
Early Childhood Development	33,534,391	30,304,651	30,304,651
State Board Operated Schools	48,069,023	48,916,918	48,525,322
Formula Contingent Funding	0	44,000,000	0
<b>TOTAL</b>	<b>\$ 2,630,923,483</b>	<b>\$ 2,782,823,211</b>	<b>\$ 2,774,598,686</b>
General Revenue Fund	44,412,641	44,132,170	43,740,574
Federal Funds	1,949,221	3,077,581	3,077,581
Outstanding Schools Trust Fund	540,539,118	492,371,792	393,183,209
Bingo Proceeds for Education Fund	1,707,161	1,707,167	1,707,167
Lottery Proceeds Fund	58,707,960	88,240,365	88,792,997
State School Moneys Fund	1,971,127,640	2,145,646,917	2,244,097,158
Healthy Families Trust Fund-Early Childhood			
Care and Education Account	4,092,500	0	0
Early Childhood Development, Education and Care Fund	8,387,242	7,647,219	0
<b>Full-time equivalent employees</b>	<b>896.98</b>	<b>923.72</b>	<b>914.72</b>

## **DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION**

### **GENERAL ADMINISTRATION (Continued)**

#### **SCHOOL FOUNDATION PROGRAM DISTRIBUTION**

The foundation formula provides equitable education funding for school children. The formula apportions money to school districts based on local effort as measured by the local property tax levy for school purposes and on local wealth. Increased local effort results in higher state funding, while increased local wealth results in lower state funding. Fully funded, the formula ensures that a one-penny levy provides the same funding to 95 percent of all students from a combination of equity formula and local property tax revenues.

In addition, the Foundation Program includes funding for seven categorical add-on programs, including programs for special needs students, transportation, special education, gifted, career ladder, vocational education, and early childhood development programs. Extra funding is also provided to districts based on the number of students eligible for the federal Free- and Reduced-Price Lunch Program. While the money received for this program must be spent on programs for children with special educational needs, the local school district chooses which special needs program will be funded.

If the formula is not fully funded, then the categorical add-on programs may not be fully funded. The system protects against the equity formula being shortchanged and provides more equity in funding. The transportation add-on pays school districts up to 75 percent of the allowable costs of school bus and other transportation. The special education add-on assists districts in providing required educational services to students with disabilities. The special education add-on also includes funding for the Early Childhood Special Education Program that serves children ages three and four. The gifted program add-on provides up to 75 percent of the cost of instructor salaries and materials to provide appropriate opportunities for gifted students.

The Career Ladder Program provides an incentive to teachers, librarians, and counselors who voluntarily participate in professional development activities. The program provides for three career stages with salary supplements of up to \$1,500, \$3,000, and \$5,000. Each stage requires the teacher to obtain a higher level of professional development. This program is financed by state and local matching funds. Each district's local match is determined by its wealth, as measured by its assessed valuation per pupil, with wealthier districts paying a higher local match. In addition, teachers that complete the National Board for Professional Teaching Standards Program are automatically placed in the third career stage.

The Early Childhood Development Program authorizes state reimbursement to school districts that provide any of three programs for preschool children: 1) developmental screening to measure the progress of children and to determine problems, potential problems, or advanced abilities in understanding, use of language, sight, hearing, motor development, health, and physical development; 2) parent education to provide resource materials and guidance to parents to improve learning in the home; and 3) programs for developmentally delayed children to provide individual and group counseling and learning activities to help these children catch up with their peers before entering school.

State funding for vocational education programs serves as an incentive to public schools to offer vocational education programs. Also, some state vocational education funds are distributed to institutions of higher education, state agencies, and business establishments. A complete description of the vocational education distribution can be found later in this budget.

This appropriation also includes state funding for Missouri's State Board Operated Schools. This program is discussed in detail later in this budget.

#### **Fiscal Year 2004 Governor's Recommendations**

- \$214,854,846 state school moneys fund for the foundation formula.
- \$23,624,140 lottery proceeds fund for the Transportation Program.
- \$11,652,789 state school moneys fund for early childhood special education.
- \$7,647,219 state school moneys fund for the Parents as Teachers Program.
- \$3,500,000 transferred from court-ordered payments.
- (\$237,454,846) other funds core reduction from the Fiscal Year 2003 appropriation level.
- (\$23,624,140) state school moneys fund core reduction from the Fiscal Year 2003 appropriation level.
- (\$7,647,219) early childhood development, education and care fund core reduction for the Parents as Teachers Program.
- (\$391,596) and (nine) staff in core reduction from the Fiscal Year 2003 appropriation level.
- (\$385,718) state school moneys fund core reduction from the Fiscal Year 2003 appropriation level for career ladder.



## **DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION**

### **GENERAL ADMINISTRATION (Continued)**

#### **EARLY GRADE LITERACY PROGRAM**

In addition to the professional development provided to teachers through the foundation formula, additional funding has been provided through this program to help improve early literacy teaching statewide. Funds are used to train Reading Recovery teachers across the state in order to encourage school districts to implement a Reading Recovery Program, train Early Literacy teachers who will work with small groups of at-risk students, and train teacher leaders at approved sites.

#### **Fiscal Year 2004 Governor's Recommendations**

- (\$50,000) core reduction from the Fiscal Year 2003 appropriation level.

#### **SCHOOL FOOD SERVICES**

This program reimburses school districts for food services to enable them to offer nutritionally balanced, low-cost meals for school children. Federal funds, required state matching funds, local funds, and commodities donated by the U.S. Department of Agriculture minimize the meal charge to children.

#### **Fiscal Year 2004 Governor's Recommendations**

- \$9,861,838 federal funds for school food services.

#### **SCHOOL BUILDING REVOLVING FUND**

The school building revolving fund represents the receipts of all forfeitures of assets for breach of the penal laws. School districts may submit applications for lease purchases from the fund.

#### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.

#### **SPECIAL SCHOOL ADVISORS**

Missouri public school teachers who retired prior to July 1, 1957, may apply to become special school advisors and receive a salary supplement of up to \$75 per month from the state to bring their combined income from this program and teacher retirement benefits to \$150 per month.

#### **Fiscal Year 2004 Governor's Recommendations**

- (\$900) core reduction from the Fiscal Year 2003 appropriation level.

#### **FAIR SHARE DISTRIBUTION**

Tax receipts from four cents per cigarette pack are deposited in the fair share fund established by Section 149.015, RSMo. Funds are distributed to elementary and secondary schools on the basis of average daily attendance of the school district.

#### **Fiscal Year 2004 Governor's Recommendations**

- \$295,924 fair share fund for distribution to school districts.

## **DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION**

### **GENERAL ADMINISTRATION (Continued)**

#### **SCHOOL DISTRICT TRUST FUND DISTRIBUTION**

Proposition C provides a one percent sales tax for elementary and secondary education. Revenue generated by this tax is deposited in the school district trust fund and distributed based on the number of eligible pupils in each school district.

##### **Fiscal Year 2004 Governor's Recommendations**

- \$2,491,217 school district trust fund for distribution to school districts.

#### **COUNTY FOREIGN INSURANCE TAX**

The county foreign insurance tax represents the receipts of a two percent, per annum tax levied on the direct premiums of insurance companies not based in Missouri but doing business in Missouri. One-half of the net receipts of the county foreign Insurance tax from the previous year are distributed by the state to school districts on the basis of the number of school children within each county pursuant to Section 140.360, RSMo.

##### **Fiscal Year 2004 Governor's Recommendations**

- \$15,424,150 for distribution to school districts.

#### **SCHOOL DISTRICT BOND INTERCEPT PROGRAM**

SB 301 (1995) created the school district bond fund for use by the Missouri Health and Education Facilities Authority to pay costs associated with school bond issues and credit enhancement. The law allows up to \$7 million per year to be transferred from the gaming proceeds for education fund to the school district bond fund.

##### **Fiscal Year 2004 Governor's Recommendations**

- (\$3,550,000) school district bond fund core reduction from the Fiscal Year 2003 appropriation level.

#### **FEDERAL GRANTS AND DONATIONS**

The federal grants and donations appropriation provides authority to accept and make use of federal grants and donations that may become available during the fiscal year. The department will notify the House and Senate budget committees and the Office of Administration prior to acceptance of any new financial assistance or grants.

##### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.

## **DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION**

### **DIVISIONS OF SCHOOL IMPROVEMENT/TEACHER QUALITY AND URBAN EDUCATION**

#### **DIVISION OF SCHOOL IMPROVEMENT**

The Division of School Improvement provides consultant services to administrators and teachers in the areas of instruction and curriculum development. The division classifies and accredits school districts through the Missouri School Improvement Program. The division assists school districts in expanding or improving their curriculum and instructional programs. It administers three Outstanding Schools Act programs and provides payments and local program approval for the Early Childhood Development and the Safe Schools programs. The division also assists school districts in establishing and funding gifted education programs and administers the Missouri Scholars Academy. In addition, the division manages the following federal programs: Compensatory Education, Instructional Improvements Grants, Math/Science Instruction Grant, and Drug Abuse Education.

#### **Fiscal Year 2004 Governor's Recommendations**

- \$3,400,000 federal funds for the federal No Child Left Behind Act of 2001.
- \$15,000 federal funds for the Gold Star Schools Program.
- \$13,000 federal funds for the Schools with Distinction Program.
- \$12,595 for pay plan, including \$5,264 general revenue.
- (\$141,424) and (four) staff in core reduction from the Fiscal Year 2003 appropriation level.

#### **DIVISION OF TEACHER QUALITY AND URBAN EDUCATION**

The Division of Teacher Quality and Urban Education contains the teacher certification, professional conduct and investigation, teacher recruitment and retention, professional development, and urban education sections. The division issues teaching certificates, conducts background checks, and delivers urban education workshops annually on crime, violence, and vandalism prevention. The division administers the National Board for Professional Teaching Standards Program, the Career Ladder Program, and teacher education assessment.

#### **Fiscal Year 2004 Governor's Recommendations**

- \$8,573 for pay plan, including \$7,513 general revenue.
- (\$89,256) and (three) staff in core reduction from the Fiscal Year 2003 appropriation level.

#### **GOALS 2000: EDUCATE AMERICA ACT PROGRAM**

The Goals 2000: Educate America Act was approved in 1994. Federal funds provided through this program were distributed to school districts on a grant basis. The grants were used for developing school improvement plans or enhancing teacher pre-service and in-service education. Fiscal Year 2001 marked the final year the federal government awarded Missouri a grant.

#### **Fiscal Year 2004 Governor's Recommendations**

- (\$2,000,000) federal funds core reduction from the Fiscal Year 2003 appropriation level.

#### **VIDEO INSTRUCTIONAL DEVELOPMENT AND EDUCATIONAL OPPORTUNITY PROGRAM**

The Video Instructional Development and Educational Opportunity Program provides grants to local school districts and colleges to increase their course offerings through satellite television.

#### **Fiscal Year 2004 Governor's Recommendations**

- (\$600,000) VIDEO fund core reduction from the Fiscal Year 2003 appropriation level.

## **DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION**

### **DIVISIONS OF SCHOOL IMPROVEMENT/TEACHER QUALITY AND URBAN EDUCATION (Continued)**

#### **COMPUTER NETWORKING**

The Outstanding Schools Act established a grant program to help school districts acquire computers, data transmission lines, networking hardware and software, science and mathematics laboratory equipment, and other equipment to promote the use of computers and telecommunications technology. Among other things, the grants assist in expanding the computer network connecting school districts, school buildings, and classrooms across the state with each other and with other educational institutions throughout the world. This network allows Missouri students to access information from libraries and universities worldwide.

#### **Fiscal Year 2004 Governor's Recommendations**

- (\$4,787,830) transferred to the Department of Higher Education.
- (\$348,485) core reduction from the Fiscal Year 2003 appropriation level.

#### **TITLE I – COMPENSATORY EDUCATION**

Federal funds are available to local schools under Title I for compensatory education. Entitlements are awarded to school districts, institutions for delinquents, state institutions for the disabled, and adult correctional institutions with inmates under the age of 21. The grants are used to fund programs in remedial math, language arts, and reading.

#### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.

#### **TITLE I – READING FIRST GRANT PROGRAM**

Funded through Title I, this grant program provides resources to school districts for teacher professional development focused on reading instruction. The program serves students in the primary grades and a small portion may also be used for purchasing reading materials used for instruction.

#### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.

#### **FEDERAL INSTRUCTIONAL IMPROVEMENT GRANTS**

Under Title VI, states receive a percentage share of the federal appropriation based on the population from ages 5 through 17 years. Up to 15 percent of the funds may remain at the state level. The remainder of the funds received by a state must be passed through to local educational agencies for local education reform, programs for at-risk youth, professional development, and class size reduction.

#### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.

#### **STEPHEN M. FERMAN MEMORIAL FOR EDUCATION OF THE GIFTED**

Mr. Milton Ferman and Mrs. Frieda Morgan Ferman established the Stephen Morgan Ferman Memorial for Education of the Gifted. Donations were made in their son's name, and the annual income may be expended through the state school moneys fund to enhance the educational opportunities of teachers of the gifted.

#### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.

## **DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION**

### **DIVISIONS OF SCHOOL IMPROVEMENT/TEACHER QUALITY AND URBAN EDUCATION (Continued)**

#### **MISSOURI SCHOLARS AND FINE ARTS ACADEMIES**

The Missouri Scholars and Fine Arts Academies are three-week summer sessions for gifted students. The academies assist gifted students to achieve their full potential and stimulate the establishment and improvement of programs for gifted students.

#### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.

#### **HIGH SCHOOL SCIENCE, MATHEMATICS AND TECHNOLOGY INSTITUTE**

The High School Science, Mathematics and Technology Institute serves approximately 150 students from most of the Kansas City area public, parochial and private high schools, and home-schooled students in a program sponsored by the University of Missouri-Kansas City.

#### **Fiscal Year 2004 Governor's Recommendations**

- (\$100,000) healthy families trust fund core reduction from the Fiscal Year 2003 appropriation level.

#### **EARLY CHILDHOOD PROGRAM**

The Early Childhood Program provides grants to schools and community partnerships for early childhood care and education programs.

#### **Fiscal Year 2004 Governor's Recommendations**

- \$1,408,312 early childhood development, education and care fund for the Missouri Preschool Program.

#### **A+ SCHOOLS PROGRAM**

The Outstanding Schools Act established the A+ Schools Program to award grants to schools. A+ Schools must design programs to ensure that all students graduate from school, complete a challenging course of studies with identified learner expectations, and proceed from graduation to postsecondary education or a high-wage job. The program provides career choices and community college scholarships for students who might otherwise be unable to attend college.

#### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.

#### **STUDENT ASSESSMENT PROGRAM**

The Outstanding Schools Act requires the Department of Elementary and Secondary Education to develop a statewide assessment system for districts to determine the degree to which their students are proficient in the knowledge, skills, and competencies necessary to be successful in the workplace and postsecondary education. The assessment must show what students can do as well as what they know.

#### **Fiscal Year 2004 Governor's Recommendations**

- \$4,355,400 for the Missouri Assessment Program, including \$154,945 general revenue.

## **DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION**

### **DIVISIONS OF SCHOOL IMPROVEMENT/TEACHER QUALITY AND URBAN EDUCATION (Continued)**

#### **ADVANCED PLACEMENT AND DUAL CREDIT INCENTIVES**

The budget includes state funds to recognize public high school students who perform at a “proficient” or “advanced” level on statewide assessments. School districts will be eligible to receive grants on behalf of eligible students. The grants will pay for courses that lead to college credit for these students. Federal funds are also available to assist low-income children in taking Advanced Placement examinations for college credit.

#### **Fiscal Year 2004 Governor’s Recommendations**

Continue funding at the current level.

#### **TITLE II – IMPROVING TEACHER QUALITY**

Funded through Title II, the federal Improving Teacher Quality Program authorizes grants to state and local education agencies for instructional improvements. School districts may use the funds to upgrade the skills and recruitment of teachers and administrators and to reduce class size.

#### **Fiscal Year 2004 Governor’s Recommendations**

- \$1,000,000 federal funds for the Transition to Teaching Project.

#### **SCHOOL RENOVATION PROGRAM**

The federal School Renovation Program provides grants to states for urgent school renovation, activities authorized under the Individuals with Disabilities Education Act (IDEA), technology activities related to school renovation, and charter school facility financing.

#### **Fiscal Year 2004 Governor’s Recommendations**

Continue funding at the current level.

#### **SAFE AND DRUG FREE SCHOOLS GRANT**

The Department of Elementary and Secondary Education is eligible, on behalf of schools or groups of schools, for federal assistance under Title IV. The objectives of this program are to establish or designate local or regional advisory councils on drug abuse prevention; to establish or augment drug abuse education and prevention programs for students; and to coordinate school-based drug abuse programs with other programs in the community and with state and local health, drug and alcohol abuse, and law enforcement agencies.

#### **Fiscal Year 2004 Governor’s Recommendations**

Continue funding at the current level.

#### **SAFE SCHOOLS GRANTS**

The Safe Schools Grant Program is designed to help school districts implement safe school strategies to meet local needs. The grants can be used to purchase devices to improve physical security; to work with local police departments to provide police officers in school buildings; to develop other programs to increase security; and to place violent, abusive, and disruptive students in alternative education settings.

#### **Fiscal Year 2004 Governor’s Recommendations**

- (\$552,632) lottery proceeds fund core reduction from the Fiscal Year 2003 appropriation level.

## **DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION**

### **DIVISIONS OF SCHOOL IMPROVEMENT/TEACHER QUALITY AND URBAN EDUCATION (Continued)**

#### **PUBLIC CHARTER SCHOOLS PROGRAM**

The Public Charter Schools Program was established to provide federal financial assistance for charter schools. Federal grants are awarded for planning, program design, and initial implementation of a charter school, and state funding is provided for the statutorily required evaluation of Missouri's charter schools.

#### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.

#### **SCHOLARSHIP PROGRAM**

The Scholarship Program established by the Excellence in Education Act of 1985 provides \$2,000 non-renewable scholarships to teacher education students. The department provides \$1,000 of the cost of each scholarship with \$1,000 provided by the participating college or university.

#### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.

#### **COMPREHENSIVE SCHOOL REFORM DEMONSTRATION INITIATIVE**

The Comprehensive School Reform Demonstration Initiative authorizes a research-based reform program that will allow grant awards to public schools for the implementation of whole-school, research-based reforms that qualify for funding.

#### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.

#### **RURAL AND LOW-INCOME SCHOOLS**

Funding through Title VI, the Federal Rural and Low-Income Schools Program, authorizes grants to rural and low-income schools for resources needed to obtain federal grants.

#### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.

#### **TITLE III – LANGUAGE ACQUISITION**

Funding through Title III, the federal Language Acquisition Program, authorizes grants to ensure that children attain English proficiency.

#### **Fiscal Year 2004 Governor's Recommendations**

- \$900,000 federal funds for the Language Acquisition Program.

## **DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION**

### **DIVISIONS OF SCHOOL IMPROVEMENT/TEACHER QUALITY AND URBAN EDUCATION (Continued)**

#### **FEDERAL REFUGEE PROGRAM**

The Department of Health and Human Services provides funding through the Refugee Children School Impact Grants Program to states and school districts. The funding defrays some of the cost faced by local school districts with significant numbers of refugee children.

#### **Fiscal Year 2004 Governor's Recommendations**

- \$400,000 federal funds for the Federal Refugee Program.

#### **CHARACTER EDUCATION INITIATIVE**

The Character Education Initiative provides character education teacher training and resources to Missouri school districts. The training and resources will allow schools to emphasize the importance of universal values.

#### **Fiscal Year 2004 Governor's Recommendations**

- \$600,000 federal funds for character education.

#### **MISSOURI STATE ACTION FOR EDUCATION LEADERSHIP PROJECT**

The Missouri State Action for Education Leadership Project is a federal grant program designed to further the recruitment, training, and retention of school principals. The grant is funded from the Wallace Readers Digest group through the Council of Chief State School Officers.

#### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.



## **DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION**

### **DIVISION OF VOCATIONAL REHABILITATION**

The Division of Vocational Rehabilitation provides services to Missourians with disabilities to help them overcome impediments to employment. Counseling, training, and medical services are provided based on the specific needs of each client. Vocational Rehabilitation counselors evaluate each client and prepare an individual rehabilitation plan.

#### **Fiscal Year 2004 Governor's Recommendations**

- \$191,452 for pay plan, including \$1,370 general revenue.
- \$1,200 federal funds transferred from the Office of Administration.
- (\$266,560) core reduction for one-time expenditures, including (\$3,105) general revenue.
- (\$196,879) transferred to the Office of Administration.

### **VOCATIONAL REHABILITATION GRANT**

The Vocational Rehabilitation Program provides job training, medical assistance, and other services to individuals with disabilities to help them function effectively in the job market. To be eligible for vocational rehabilitation services, a person must have a physical or mental disability that interferes with his or her ability to obtain or hold employment and have a reasonable chance of being able to work in suitable employment if appropriate services are provided.

#### **Fiscal Year 2004 Governor's Recommendations**

- \$6,799,375 for vocational rehabilitation grants, including \$668,348 general revenue.

### **DISABILITY DETERMINATIONS GRANT**

The federal Social Security Administration contracts with the Department of Elementary and Secondary Education to determine whether applicants for Social Security benefits meet the necessary criteria for disabilities. The program involves purchasing extensive medical and vocational evaluations. An applicant's cost of travel to examinations is also paid from this grant. The program is funded entirely from federal funds.

#### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.

### **PERSONAL CARE ASSISTANCE**

Many individuals with severe physical disabilities are confined to their homes or to institutions because they are unable to perform routine daily tasks such as bathing, dressing, and eating. The Personal Care Assistance Program provides personal attendant care to such persons to enable them to live more independently, maintain their current employment, or become employable.

#### **Fiscal Year 2004 Governor's Recommendations**

- \$893,795 federal funds for the Personal Care Assistance Program.
- (\$893,795) core reduction from the Fiscal Year 2003 appropriation level.

### **INDEPENDENT LIVING CENTERS**

The department is authorized to establish and maintain independent living centers to ensure statewide access for the severely disabled. Centers throughout the state provide disabled Missourians with self-help skills and knowledge to live more independently.

#### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.

## **DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION**

### **DIVISION OF VOCATIONAL REHABILITATION (Continued)**

#### **PROJECT SUCCESS GRANT**

The federal program, Strategies Utilizing Collaboration for Competitive Employment and Self Sufficiency (SUCCESS), authorizes the Division of Vocational Rehabilitation to expand employment opportunities for individuals with mental or physical disabilities who receive public support. A pilot project will be developed for the Missouri Career Center located in Columbia, Missouri, with the intention to exhibit promising new strategies for replication across Missouri's 14 workforce investment regions.

#### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.

## **DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION**

### **DIVISION OF VOCATIONAL AND ADULT EDUCATION**

The Division of Vocational and Adult Education provides individuals with programs and services that supply the technical knowledge and skills needed to prepare for employment. The division also develops state plans for vocational and adult education and literacy that form the basis for distribution of federal and state funds to local education agencies. Other division responsibilities include reviewing and approving vocational and adult education programs operated by local education agencies, processing applications for the tests of General Educational Development (GED), and assisting with the development and implementation of skill training programs for unemployed and underemployed adults.

#### **Fiscal Year 2004 Governor's Recommendations**

- \$17,141 for pay plan, including \$7,025 general revenue.
- \$70,195 and two staff transferred from the School-Age Childcare Program.
- \$46,390 federal funds and 1.5 staff transferred from the Troops to Teachers Program.

#### **DISTRIBUTION TO SCHOOLS**

Grants are provided to educational institutions for improving vocational-technical programs. The grants may be used to provide new programs, enhance curricula, and upgrade equipment and facilities. At least 75 percent of program funding must be used for projects related to occupations with high labor market demand-to-supply ratios.

The state provides financial support to vocational programs located in public school districts, institutions of higher education, state agencies, and business establishments. Programs are designed to prepare individuals for gainful employment. The department distributes federal vocational funds and state funds to local school districts according to guidelines developed in an annual state plan for vocational education. The state and federal funds serve as an incentive to public schools to offer vocational education programs.

Since Fiscal Year 1987, new funds for area vocational schools are distributed through the "Effectiveness Index Formula," which resulted from an intensive study of vocational education completed in 1984. The formula rewards schools that provide programs with high placement rates and high labor market demand-to-supply ratios.

#### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.

#### **WORKFORCE INVESTMENT ACT GRANTS**

The federal Workforce Investment Act provides federal funds that can be used for skill training to 15 service delivery areas in Missouri. The service delivery areas contract with the Department of Elementary and Secondary Education to plan, implement, and administer skill-training programs. Vocational schools, community colleges, or proprietary schools conduct the actual training.

#### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.

#### **ADULT BASIC EDUCATION**

The Department of Elementary and Secondary Education works with local public schools to establish adult basic education programs. The adult basic education programs provide training in the fundamental skills of English, reading, and mathematics. To enroll in a class, a person must be 16 years of age or older, out of school, and lacking a high school diploma.

#### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.

## **DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION**

### **DIVISION OF VOCATIONAL AND ADULT EDUCATION (Continued)**

#### **SPECIAL LITERACY GRANT AWARD PROGRAM**

The Special Literacy Grant Award Program was established to respond to the increasing numbers of adults needing adult basic education services. A significant number of adults request services due to the mandatory participation requirements of the federal TANF/FUTURES Program.

#### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.

#### **SCHOOL-AGE CHILDCARE**

The federal Childcare and Development Block Grant provides funds to house school-aged childcare programs in school buildings when they are not being used for educational classes. Program evaluation and technical assistance are provided to local schools interested in implementing school-age childcare programs. The childcare programs must be in compliance with state and local licensing laws and regulations governing care for school-aged children.

#### **Fiscal Year 2004 Governor's Recommendations**

- \$6,000,000 federal funds for the School-Age Childcare Program.
- (\$270,000) transferred to the Department of Social Services.
- (\$70,195) and (two) staff transferred to the Division of Vocational and Adult Education.

#### **TROOPS TO TEACHERS**

The Troops to Teachers Program is designed to encourage military personnel transitioning to the civilian labor force to consider teaching as a post-military career.

#### **Fiscal Year 2004 Governor's Recommendations**

- (\$46,390) federal funds and (1.5) staff transferred to the Division of Vocational and Adult Education.

## **DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION**

### **DIVISION OF SPECIAL EDUCATION**

The Division of Special Education is responsible for state and federal special education funds for Missouri public schools. The division also administers the budgets appropriated for the State Schools for the Severely Handicapped, School for the Deaf, and School for the Blind. Staff in the division monitor local school district programs for compliance with state and federal laws. The division also provides technical assistance and distributes state funds to the extended employment sheltered workshops.

#### **Fiscal Year 2004 Governor's Recommendations**

- \$370,547 for pay plan, including \$339,754 general revenue.

### **SPECIAL EDUCATION GRANT**

The Special Education Program provides federal grants to school districts to assist them in education programs and services for disabled children at the preschool, elementary, and secondary levels. The grants are used to purchase instructional and technological equipment and to purchase the services of teachers, ancillary staff, diagnostic staff, and administrators for better management of services to people with disabilities. The funds may also be used to provide in-service training for special education teachers and financial assistance to special education teachers working toward full certification.

#### **Fiscal Year 2004 Governor's Recommendations**

- \$20,000,000 federal funds for special education grants.

### **EXCESS COSTS/SEVERE DISABILITIES SERVICES**

The Excess Costs/Severe Disabilities Services Program was established to assist school districts in providing special education services to students with severe disabilities that would otherwise attend a State Board Operated School.

#### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.

### **FIRST STEPS**

First Steps is an early childhood intervention program that serves children with severe development delays from birth to age two. The Department of Elementary and Secondary Education collaborates with the Departments of Health and Senior Services and Mental Health in providing First Steps services for children.

#### **Fiscal Year 2004 Governor's Recommendations**

- \$1,282,007 transferred from the Department of Mental Health.

### **DSS/DMH SCHOOL PLACEMENTS**

Children in residential placements through the Department of Social Services or the Department of Mental Health often are enrolled in schools outside their home districts. The state reimburses the districts where these children attend school for certain educational services when the costs exceed the amount received from the children's domiciliary districts and regular state school payments.

#### **Fiscal Year 2004 Governor's Recommendations**

- \$2,806,206 for education of students publicly placed in a residential facility.

## **DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION**

### **DIVISION OF SPECIAL EDUCATION (Continued)**

#### **OPERATING MAINTENANCE AND REPAIR**

The State Board of Education operates two residential facilities, the School for the Blind in St. Louis and the School for the Deaf in Fulton, and day-school facilities – the State Schools for the Severely Handicapped located throughout the state. These state-owned facilities need routine and preventive maintenance. This program allows maintenance staff to purchase materials and supplies to perform this routine and preventive care.

#### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.

#### **SPECIAL OLYMPICS**

The Missouri Special Olympics Program sponsors annual statewide events for more than 7,000 children with disabilities. Participants compete regionally to become eligible to attend the statewide competition. All participants in the state events receive ribbons and personal recognition for their efforts.

#### **Fiscal Year 2004 Governor's Recommendations**

- (\$100,000) core reduction from the Fiscal Year 2003 appropriation level.

#### **SHELTERED WORKSHOPS**

Sheltered workshops are not-for-profit corporations that give people with disabilities a controlled working environment. Programs are designed to enable persons to progress toward normal living and develop their work capacities. A workshop is set up and operated as a business. The manager of the workshop bids on and acquires contracts for work from industries in the community. The Department of Elementary and Secondary Education assists the workshops in management, production, bidding, and pricing techniques.

#### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.

#### **READERS FOR THE BLIND**

The Readers for the Blind Program provides payments of \$500 per year per blind student enrolled in elementary and secondary schools to employ readers. Blind students attending local elementary and secondary schools need reading assistance when Braille or large print materials are unavailable.

#### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.

#### **BLIND LITERACY TASK FORCE**

The Blind Literacy Task Force was established to develop goals and objectives to guide the improvement of special education, related services, vocational training, transition from school to work, rehabilitation services, independent living, and employment outcomes for blind and visually impaired students.

#### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.

## **DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION**

### **BOARD OPERATED SCHOOLS OPERATIONS**

The Missouri School for the Deaf provides elementary and secondary education, both academic and vocational, in a residential environment for deaf- or hearing-impaired students from ages 5 to 21 years. Located in Fulton, Missouri, the school provides separate facilities for primary age, intermediate age, and high school students. To be admitted to the Missouri School for the Deaf, a child must be a resident of Missouri and manifest a hearing loss that seriously limits his or her chances of success in a regular public school program. The school is tuition-free with no charge for room, board, transportation, laundry, or books. In addition to direct educational programs, the school offers extensive outreach and resource services to local educational agencies.

The Missouri School for the Blind, located in St. Louis, Missouri, offers elementary and secondary education, including academic, vocational, and special training, in a residential school environment for blind or visually impaired students from ages 5 to 21. The school provides special teaching methods, materials, and curriculum additions specifically needed by children with vision impairment. A program for students provides diagnosis, evaluation, individualized programming, physical therapy, occupational therapy, speech and language therapy, adaptive physical education, and audiological examinations.

State law mandates that all children in Missouri, regardless of any disabling condition, be entitled to an appropriate educational program. For students too severely disabled to be served effectively by local public schools, the Department of Elementary and Secondary Education operates 37 state schools and contracts with private non-profit agencies to provide educational services for children the state schools cannot practically serve. These schools offer day programs in basic and prevocational training with the ultimate goal of assisting students in functioning semi-independently in their homes and communities. Programs include self-care, sensory and perceptual training, language development, interpersonal relations, home-living, and functional academics. The state provides transportation for the students. State funding for the State Board Operated Schools is appropriated in the Foundation Program.

### **SCHOOL FOR THE DEAF TRUST FUND**

The School for the Deaf Trust Fund was established by law to receive gifts and bequests from individuals who wish to assist the Missouri School for the Deaf. The funds are invested or used for program improvements and facility additions at the School for the Deaf. Some funds are specifically donated for awards to students in areas such as scholarship, character, and leadership.

### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.

### **SCHOOL FOR THE BLIND TRUST FUND**

The School for the Blind Trust Fund was established by law to receive gifts and bequests from individuals who wish to assist the Missouri School for the Blind. The funds are invested or used for program improvements and facility additions at the School for the Blind.

### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.

### **STATE SCHOOLS FOR THE SEVERELY HANDICAPPED TRUST FUND**

The Handicapped Children's Trust Fund was established to receive gifts and bequests from individuals who wish to assist the State Schools for the Severely Handicapped. The money in the fund is invested each year in short-term securities or used to purchase supplies, equipment, and materials used in the state schools.

### **Fiscal Year 2004 Governor's Recommendations**

Continue funding at the current level.

## DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION

### MISSOURI OCCUPATIONAL INFORMATION COORDINATING COMMITTEE

Federal law requires Missouri to have a coordinating committee to develop an occupational information system to collect and disseminate occupational data and encourage the use of that information by training program planners and persons making career decisions.

#### Fiscal Year 2004 Governor's Recommendations

- (\$251,010) federal funds and (two) staff transferred to the Department of Economic Development.
- (\$30,000) and (one) staff in core reduction from the Fiscal Year 2003 appropriation level.

### COMMISSION FOR THE DEAF AND HARD OF HEARING

Section 161.400, RSMo, authorized establishment of the Missouri Commission for the Deaf and Hard of Hearing within the Department of Elementary and Secondary Education. Senate Bill 568 (1994) established a Board for Certification of Interpreters within the Commission for the Deaf. The board is responsible for certifying interpreters for the deaf prior to licensure.

#### Fiscal Year 2004 Governor's Recommendations

- \$75,000 other funds to enhance commission operations.
- (\$9,286) core reduction from the Fiscal Year 2003 appropriation level.

### TRANSFER OF FUNDS TO OUTSTANDING SCHOOLS TRUST FUND

The Outstanding Schools Act (1993) provides revenues for the formula equity provisions of the act. These revenues are transferred from general revenue into the outstanding schools trust fund to pay for the initiatives in the Outstanding Schools Act.

#### Fiscal Year 2004 Governor's Recommendations

- Total funds to be transferred from general revenue to the outstanding schools trust fund \$ 394,400,000

	FY 2002 EXPENDITURE	FY 2003 APPROPRIATION	GOVERNOR RECOMMENDS FY 2004
General Revenue Fund	\$ 451,300,000	\$ 421,300,000	\$ 394,400,000



**DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION****TRANSFER OF FUNDS TO STATE SCHOOL MONEYS FUND**

Funds are transferred from general revenue and the gaming proceeds for education fund to the state school moneys fund to meet appropriation obligations.

**Fiscal Year 2004 Governor's Recommendations**

- Total recommended appropriation from state school moneys fund \$ 2,244,258,371
- Less amount available in state school moneys fund from gaming proceeds, gaming admission fees, cigarette taxes, investment earnings, prior year lapse, Ferman Memorial funds, and the balance (476,477,728)
- Total funds to be transferred from general revenue to state schools moneys fund \$ 1,767,780,643
- Total funds transferred from gaming proceeds for education fund 424,331,000
- Total transferred to the state school moneys fund \$ 2,192,111,643

	FY 2002 EXPENDITURE	FY 2003 APPROPRIATION	GOVERNOR RECOMMENDS FY 2004
General Revenue Fund	\$ 1,727,466,154	\$ 1,817,575,342	\$ 1,767,780,643
Gaming Proceeds for Education Fund	<u>213,845,616</u>	<u>205,520,542</u>	<u>424,331,000</u>
TOTAL	\$ 1,941,311,770	\$ 2,023,095,884	\$ 2,192,111,643

**TRANSFER OF FUNDS TO SCHOOLS FOR THE FUTURE FUND**

SB 1248 (2002) established this fund to receive moneys available as a result of the bill for Fiscal Year 2003 only.

**Fiscal Year 2004 Governor's Recommendations**

- (\$126,517,000) core reduction from the Fiscal Year 2003 appropriation level for one-time expenditures.

	FY 2002 EXPENDITURE	FY 2003 APPROPRIATION	GOVERNOR RECOMMENDS FY 2004
General Revenue Fund	\$ 0	\$ 126,517,000	\$ 0

**TRANSFER OF FUNDS TO SCHOOL DISTRICT BOND FUND**

SB 301 (1995) allows up to \$7 million to be transferred from the gaming proceeds for education fund to the school district bond fund for use by the Missouri Health and Education Facilities Authority to pay costs associated with school bond issues and credit enhancement.

**Fiscal Year 2004 Governor's Recommendations**

- (\$1,821,458) gaming proceeds for education fund core reduction from the Fiscal Year 2003 appropriation level.

	FY 2002 EXPENDITURE	FY 2003 APPROPRIATION	GOVERNOR RECOMMENDS FY 2004
Gaming Proceeds for Education Fund	\$ 7,000,000	\$ 2,271,458	\$ 450,000